



City of Santa Barbara  
California

IV.D.

ATTACHMENT 1

PLANNING COMMISSION STAFF REPORT

April 23, 1999

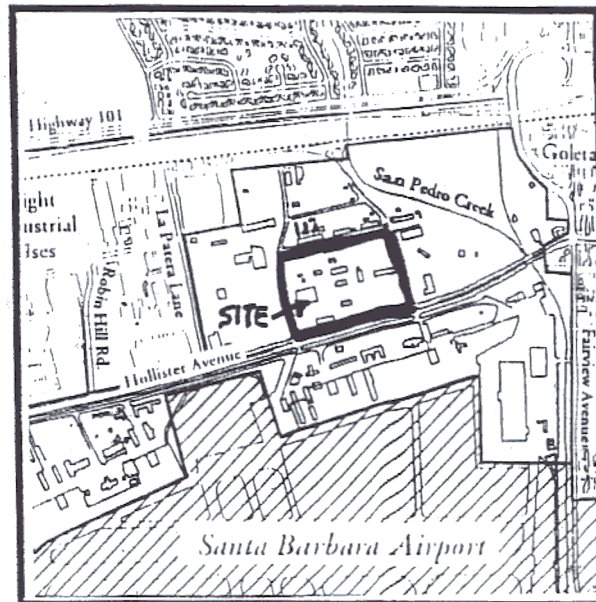
**APPLICANT:** Bermant Development Company

**PROPERTY OWNER:** City of Santa Barbara

**LOCATION:** 6100 Hollister Avenue

**PARCEL NO.:** 73-080-36

**REQUEST:** The applicant is proposing to develop a 180,000 sq. ft. mixed-use industrial and commercial development, including 160,000 sq. ft. of office and R&D space for Miravant Medical Technologies, and 20,000 sq. ft. of retail/restaurant space.



The discretionary approvals required for this project are:

- 1) A Development Plan, to allow for 180,000 square feet of non-residential development (SBMC §28.87.300), including a Recommendation to the City Council to allow for 80,000 sq. ft. of non-residential development be permitted under the Economic Development category of City Charter Section 1508 (Measure E), to allow for Miravant Medical Technologies as the primary tenant of the proposed project; and
- 2) A Modification to provide less than the 528 code-required parking spaces for the project (SBMC §28.92.026.A.1).

**DATE APPLICATION ACCEPTED:** September 29, 1998  
**DATE TO CERTIFY FINAL EIR:** September 29, 1999  
**DATE ACTION REQUIRED ON PROJECT:** 180 days following certification of EIR

## **I. SITE DESCRIPTION**

Airport Specific  
Plan Designation: Industrial/Commercial/Entertainment (Family Entertainment Center)

Zoning: A-I-1/A-I-2-Airport Industrial 1 and 2

Env. Assessment: Supplemental Environmental Impact Report (ENV97-0573) to the Santa Barbara Municipal Airport Specific Plan Final Environmental Impact Report/Assessment (FEIR/EA)

Existing Use: 51,746 sq. ft. of misc. commercial, light industrial and warehouse uses

Proposed Use: 180,000 sq. ft. office/industrial complex, incl. 20,000 sq. ft. of retail/restaurant uses.

Topography: Less than one percent

Access: Hollister Avenue, David Love Place, Frederic Lopez Road, Francis Botello Road

Adjacent Land Uses:

North:	Industrial/Open Yard Uses
South:	Airport
East:	Movie Theatre
West:	Vacant, Auto Dealer, Office, Commercial

## **II. SITE STATISTICS**

LOT AREA: 15 acres

### **LOT COVERAGE**

-Building:	147,250 sq. ft. (23%)
-Paving/Driveway:	274,712 sq. ft. (43%)
-Landscaping:	218,370 sq. ft. (34%)

### **PARKING:**

-Existing:	appx. 80 spaces
-Required:	528 spaces
-Proposed:	465 spaces

### **III. PROJECT DESCRIPTION**

The project site is located at 6100 Hollister Avenue, a 15-acre parcel located south of Francis Botello Road, between David Love Place and Frederic Lopez Road (Exhibit B, Vicinity Map). The proposed project is a 180,000 sq. ft. mixed-use industrial and commercial development, including 160,000 sq. ft. of office and R&D space, and 20,000 sq. ft. of retail/restaurant space (Exhibit C, Site Plan and Exhibit D, Application Letter). The office and R&D space is proposed to be occupied by Miravant Medical Technologies, a bio-medical drug and medical device manufacturer; and is to be located in four interconnected one and two-story buildings in the center of the site, surrounding a central plaza. The 20,000 sq. ft. of retail space is proposed within two buildings, located on the two southern corners of the property along Hollister Avenue at David Love Place and Frederic Lopez Road. This retail space is anticipated to include approximately 11,800 sq. ft. of specialty retail uses, and approximately 8,200 sq. ft. of high turnover restaurant use. The project site is adjacent to the existing one-acre Love Commons (a.k.a. Robert Park), located at the northwest corner of the site. The project proposes an additional recreation area adjacent to the park, including a basketball and volleyball court. A total of 465 parking spaces are provided in a surface parking area surrounding the main buildings, with space for an additional 55 spaces if needed in the future. The site is currently occupied by 51,746 sq. ft. of building space and 85,829 sq. ft. of open yard uses (Exhibit E, Existing Uses). The buildings are proposed to be demolished for development of the proposed project. Many of these uses are being relocated to the area north of Robert Kiester Place, adjacent to the railroad tracks.

### **IV. BACKGROUND**

#### **A. Regional Context**

The project site is located on the north side of Hollister Avenue, on property owned by the City of Santa Barbara and managed by the Airport Department. The Airport property, which consists of 950 acres, forms an island of incorporated area within the County of Santa Barbara. As such, development within this area must be closely considered with respect to the issues and conditions in the adjacent County jurisdiction. Planning for the County area surrounding the Airport is governed by the Goleta Community Plan (GCP), adopted by the County Board of Supervisors in 1993. Development of the Airport Industrial Area Specific Plan (discussed below) was considered in the process of preparing the GCP and its associated Environmental Impact Report. The GCP also designated a Urban/Rural Planning Area Boundary Line around the 36,000-acre Goleta Valley. This line separates approximately 24,300 acres of rural land from 11,500 acres of urban land where development may be permitted (Exhibit F, GCP Map).

Within this urban limit area, 1,160 acres (approximately ten percent of the urban limit area) are designated for commercial/industrial use. The majority of land designated for industrial use is located along the Hollister Avenue corridor directly west of the proposed project site to Storke Road. Additional industrial areas are also located west of the Airport between Hollister Avenue and Highway 101 along Los Carneros Road and along the east side of Fairview Avenue across from the Airport.

The commercial district known as Old Town Goleta is located east of the project site, generally between Patterson and Fairview Avenues. The project site is separated from Old Town by the Twin Lakes golf course. To the west of the project site are an auto dealer in the City and an area of large-scale office, industrial and R&D parks. These uses are generally consistent with the land use designations in the GCP. An additional 330,000 sq. ft. of office and industrial development has been approved by the County in this area. Major light industrial development in this area of the County can be generally characterized as having campus-like settings with large setbacks, large areas of surface parking, and little or no retail component.

At the time the Airport Specific plan was adopted, it was analyzed for general compatibility with the Goleta Community Plan. A determination was made that the Specific Plan is generally compatible with the Goleta Community Plan. Because the proposed project is consistent with the Specific Plan, no additional analysis of compatibility with the GCP is required.

The Goleta Growth Management Ordinance (GGMO), adopted in 1989, restricts development in the Goleta Area to 200 residential units and 95,000 sq. ft. of commercial area per year over a ten year period. Approximately 1,300 new residential units and 1.1 million square feet of non-residential uses are currently either approved or under construction in the Goleta area. An additional 517,913 sq. ft. of non-residential development, and 1,045 residential units are currently in process. While the GGMO growth limits did not affect proposed development during the recession, the recent upswing in the economy has raised a number of concerns over the pace of growth in the area, and the ability to provide adequate services as a result of new development.

In February 1999, the County Board of Supervisors adopted amendments to the GGMO to extend the life of the GGMO to 2008, and exempt approximately 200,000 of new development in the Goleta area. These exemptions would reduce the annual allocation of commercial and industrial square footage from 95,000 to 80,450 sq. ft. Of this 80,450 sq. ft., 25,000 sq. ft. would be reserved for small projects or non-profit projects, which would reduce the annual amount available for larger projects to 55,450 sq. ft.

The Goleta Transportation Improvement Plan (GTIP) is one of the implementing measures of the GCP. The 1997 GTIP outlines approximately \$55,000,000 of recommended transportation improvements to alleviate the impacts of anticipated growth in the area. The 1997 GTIP was used for the development of transportation improvements in the Airport Industrial Area Specific Plan. A number of major improvements funded under County Measure D (a half-cent sales tax approved by voters in 1989) were recently completed, including the reconstruction of US 101/Storke Road interchange and the widening of Fairview Avenue/Hollister Avenue intersection. Construction of the Fairview Avenue/U.S. 101 overpass widening began recently.

Additional projects funded under Measure D, including several roadway extensions and bicycle lane improvements are currently under development. The improvements most likely to affect the Airport area include the extensions of Ekwill Street and Kellogg Avenue from Ward Memorial

Parkway to Fairview Avenue, including a signalized intersection on Ward Memorial Parkway at Ekwil Street.

The GTIP also included a number of transit improvement projects, including electric shuttle routes around UCSB, Old Town, and the Fairview Area. A shuttle route connecting Old Town with the Airport Industrial Area along the Hollister Avenue corridor is also proposed.

The GTIP also includes a discussion of a transportation impact mitigation fee for new development projects to offset the cost of the proposed transportation improvements. While the project site is not located within the County, its location has the potential for impact on the use of County transportation facilities.

The County is currently revising its fee structure for the proposed 1999 GTIP, which is scheduled for consideration by the County Board of Supervisors in May 1999. The major changes in the 1999 GTIP include the addition of bikeway projects, neighborhood traffic-calming measures, and several major roadway projects, including a widening of Highway 101 to eight lanes in the Goleta area (Exhibit G, 1999 GTIP Improvements).

Since the adoption of the Airport Specific Plan in 1997, the City has been negotiating an agreement for payment of the GTIP fee for projects within the City's jurisdiction. At the time of Specific Plan adoption, the contribution for the entire Airport Specific Plan buildout was estimated to be approximately \$3.2 million. Under the proposed fee structure, this amount would increase by 274 percent to approximately \$8.9 million. The City is continuing its discussions with the County regarding appropriate traffic mitigation measures for the Specific Plan area.

Under the 1997 GTIP fee structure, the fee for the proposed project is estimated to be approximately \$1.3 million. Under the proposed 1999 GTIP fee structure, the estimated fee would be approximately \$4.3 million (Exhibit H, GTIP fees for Airport Specific Plan).

As discussed in the Initial Study, the proposed project is anticipated to contribute to a traffic impact already identified as significant and unavoidable in the Specific Plan EIR/EA. The Initial Study also concluded that these project-specific impacts did not increase the severity of traffic impacts identified within the Specific Plan FEIR/EA. The City believes that, for the proposed Gateway Center project, a finding may be made regarding implementation of certain mitigation measures outside the City's jurisdiction, pursuant to CEQA Guidelines Section 15091. Section 15091 allows an agency to exclude mitigation measures when the agency finds that required "changes or alterations [to a project] are within the responsibility and jurisdiction of another public agency, and not the agency making the finding." The proposed GTIP improvements, which would partially mitigate project impacts, are identified in the Specific Plan FEIR/EA and are within the jurisdiction of the County. However, in the interest of being a good neighbor, it is the City's intent that the proposed project implement its proportional share of traffic mitigation. Based on the formula of \$4,564 for each of the 287 p.m. peak hour trips generated by the project (the fee proposed by the City, based on informal discussions with County Public Works and Planning and Development Staff, during the Specific Plan adoption process, as outlined in

Exhibit H), the proposed project would be required to pay a total of \$1,309,868. This amount would be paid by the applicant towards implementation of specifically identified transportation improvements in the area including, but not limited to roadway and freeway intersection improvements, bikeways, and shuttle acquisitions and operations.

Areas within the City are not subject to County development fees. However, projects at the Airport may have significant impacts on a particular resource within the County. If a significant impact on a particular resource is determined to be mitigable through payment of a particular fee, the City/applicant may choose to mitigate the impact through payment of the fee. The Initial Study and the Supplemental EIR do not identify any impacts other than transportation that might necessitate payment of a County fee as mitigation.

The County fee program is currently being revised by County staff. Fees for Fire Service, Libraries, Parks, and Public Administration were adopted by the County Board of Supervisors in March 1999. Sheriff fees are anticipated to be considered in April, and Transportation fees in May.

At the request of the Planning Commission, staff has prepared a table outlining the County fees that would apply to the proposed project if it were subject to these fees (Exhibit I). Staff would note that this information is provided for reference by the Planning Commission, and that the proposed project is in fact not subject to these fees. Police service is provided to the project site by the City Police Department, with on-site initial response by the City Airport Patrol. The County Sheriff may provide a mutual aid response if requested by the City Police Department. Airport tenants are assessed a Possessory Interest Tax (similar to a property tax) based on their lease on Airport property. A portion of this tax assessment is participation in the County Fire protection District. The proposed project has no impacts that would warrant payment of fees for parks, libraries, or County administration facilities.

## **B. Airport Industrial Area Specific Plan**

The Airport Industrial Area Specific Plan was adopted by the City Council in October 1997 to guide development of the industrial area of the Airport-owned properties within the City. The Plan was developed within the context of the existing City and County Plans, including the GCP, the City General Plan and Local Coastal Plan, and the County Airport Land Use Plan.

The Specific Plan allows a net increase of 240,000 sq. ft. of allowable new development under Measure E, plus 172,000 sq. ft. resulting from the demolition and reconstruction of existing buildings, for a total of 412 square feet.

The Specific Plan identified four Sub-Areas (Exhibit J, Sub-Area map), and projected the distribution of the expected 412,000 sq. ft. as follows:

Sub-Area	Location	Gross Sq. Ft.	Net Sq. Ft.
	120.8 acres south of and abutting Hollister Ave. between Fairview Ave. and Los Carneros Road	100,000	-3,000
2	18.6 acres north of and abutting Hollister Ave. between La Patera Lane and Frederic Lopez Road	122,000	116,000
3	46.4 acres between Sub-Area 2 and railroad tracks	170,000	118,000
4	39.4 acres between Frederic Lopez Rd. and Fairview Ave.	20,000	9,000
	Total Sq. Ft.	412,000	240,000

The project site is located within portions of Sub-Areas 2 and 3. The 20,000 sq. ft. of retail in the proposed project is located within Sub-Area 2 along Hollister Avenue, and the 160,000 sq. ft. of office/R&D space is located within Sub-Area 3. The Specific Plan identified the goals for these two Sub-Areas as follows:

- Sub-Area 2 Create opportunities for new community commercial uses which would provide service to existing Airport tenants and improve the visual character of the Specific Plan area. Opportunities should continue to exist for light industrial, R&D, and small incubator businesses. Prohibit the development of strip commercial type uses.
- Sub-Area 3 Create opportunities for expansion of existing and new light industrial, R&D, small incubator businesses and open yard uses. Consider commercial recreation uses immediately west of Sub-area 4 as an interim or short-term use if there is not adequate demand for industrial uses in this sub-area.

Prior to the development of the Specific Plan, a Phase 1 archaeology study was conducted for the Specific Plan area. The study established sensitivity areas, in which further study for potential artifacts would be required. These areas included the project site and portions of the property to the north of the site. Additional Phase 2 analysis was recently completed which concluded that there is a potential for archeological remains within a portion of the project site. A Phase 3 data recovery, sampling, and monitoring program will be required, as discussed in the Initial Study (Appendix 1 of Supplemental EIR, Exhibit V)

Specific Plan Policy ED1 indicates that, of the 240,000 net new square feet allowed in the Plan area, 80,000 square feet is reserved for projects which the City Council determines meet the criteria for Economic Development projects as outlined in Zoning Ordinance Section 28.87.3 00 and the goals of the Economic Development Plan and Implementation Program and the Economic Community Project. As discussed later in this report, this 80,000 square feet was allocated for the proposed project.

The Specific Plan Land Use Map designates the project site as Commercial for the Hollister Avenue frontage west of David Love Place, Commercial/Entertainment (Family Entertainment Center) for the remaining frontage along Hollister Avenue, and Light Industrial for the (Exhibit K, Specific Plan Land Use Map). The zoning for the project site is A-I-1 and A-I-2 Airport Industrial 1 and 2. These designations allow for a range of light industrial and manufacturing uses, including R&D. The A-I-2 zone, designated for the portion of the project site fronting along Hollister Avenue, also allows for additional commercial uses related to or supporting other industrial uses. These include banks, print shops, convenience stores, and restaurants. The intent of this designation was to allow for commercial uses that support the surrounding industrial uses, and discourage uses that would directly compete with the retail character of Old Town Goleta, less than a mile to the east of the project site on Hollister Avenue.

The properties fronting on Hollister Avenue west of the project site are also designated A-I-2. The Specific Plan anticipates that these areas will also develop or recycle with commercial uses geared towards support of the extensive industrial complexes in the area. However, the existing auto dealership on Hollister Avenue may remain within the Specific Plan Area.

The A-I-1 zone allows for industrial open yard uses north of Francis Botello Road. The relocation of the existing open yard tenants on the project site, including the CEC Recycling Center, to this area is consistent with the Zoning and Land Use designations in the Specific Plan. The location of open yard uses within the approximately 15-acre area north of the project site between Francis Botello Road and the railroad tracks allows for more intensive uses along Hollister Avenue which give prominence to Hollister Avenue as a major corridor through the Specific Plan project area, as envisioned in the Specific Plan.

The existing theater complex on the east side of Fredric Lopez Road is consistent with the C-R Commercial Recreation zoning and the Commercial/Entertainment (Family Entertainment Center) Land Use designation outlined in the Specific Plan.

### **C. Airport Area Infrastructure Improvements**

The Specific Plan detailed a number of public improvements proposed within the Plan area, including roadway improvements to enhance the circulation improvements proposed within the GTIP. The major roadway improvement for the area north of Hollister Avenue is the relocation and re-paving of Robert Kiester Place, connecting David Love Place to Frederic Lopez Road. This improvement would allow the roadway to serve open yard uses on both sides of the



roadway and provide for more efficiently sized lease areas for open yard uses. The Plan also called for two unnamed streets to bisect the 15-acre project site, if determined to be necessary. The applicant's design approach does not include these bisecting roads.

The Specific Plan also includes an Infrastructure Improvement program for the area north of Hollister Avenue between David Love Place, the railroad tracks, and Frederic Lopez Road. This program consists of a three-phase process:

- 1) Demolition of existing structures and rough grading of parcels north of Robert Kiester Place.
- 2) Installation of utilities, including water and sewer lines, and undergrounding of overhead utilities to all parcels north of Hollister Avenue.
- 3) Surrounding the project site, installation of utilities, including 8-inch water and sewer lines, and drainage pipes; undergrounding of existing overhead utilities; and roadway and surface improvements, including reconstruction and widening of roadways north of Hollister Avenue, installation of sidewalk, landscaping and street lights, and the installation of a traffic signal at the intersection of Hollister Avenue and Frederic Lopez Road.

Phase 1 is complete. Phase 2 improvements are scheduled to be completed in conjunction with project construction, with completion estimated in mid-2000. Phase 3 improvements are estimated to be completed by 2002.

#### **D. Specific Plan Market Study**

The background research for the Specific Plan included a 1994 market study (Appendix G of the Specific Plan) to determine the feasibility of various land uses in the 56 acres of Specific Plan Area north of Hollister Avenue. The purpose of the study was to analyze the market potential for various land use options that allow the City's Airport Department to maximize revenue in the Specific Plan area. Land uses considered in the study included industrial, box retail, and an entertainment/recreation complex. The study concluded that the need for industrial space on the South Coast would increase 12 percent by the year 2015. It recommended that over a 20 year planning horizon approximately 38 acres of the Specific Plan property should be reserved for industrial uses, including R&D and warehouse uses. The study also evaluated the demand for box retail on the Airport site and determined that while there was a demand for box retail such as Home Depot and a Price/Costco type store, that one such development was already planned for Goleta. The study concluded that that development would meet the demand for box retail. The study also evaluated a multi-anchored entertainment/recreation complex including a family entertainment center, a cinema complex and an ice skating rink/roller hockey/exhibition hall. The study found that there was a strong demand for a cinema complex, marginal support for a family entertainment center, and probably inadequate market support to operate a single or dual ice rink without some public subsidy.

As part of the development of the Specific Plan, the industrial uses (including R&D) were pursued, zoning for commercial recreation uses was included and the box retail was not pursued.

The 1998 Economic Outlook prepared by the UCSB Economic Forecast Project supports the study's conclusions that industrial space is in demand. The Forecast Project report (page 84) stated that "There has been a steady decline in available space since the spring of 1994 when inventory peaked at 1.7 million SF. The Spring 1998 inventory of vacant space represents an absorption of nearly 1 million square feet in just four years...Many companies continue to expand their operations, and there are virtually no new buildings available for lease." The report goes on to say that there is less than a 3 percent vacancy rate for office space, the lowest in ten years. Available industrial space on the South Coast has decreased from 682,000 square feet in Spring 1994 to 228,000 square feet in Spring 1998.

The study recommended 38-40 acres be designated for industrial development, which would also allow for the relocation of existing tenants. The remaining 16 acres were recommended to be designated for commercial recreational uses, including a possible cinema complex expansion. The study recommended that the City and the Airport maintain ownership of the properties in the Specific Plan area, to allow the City to facilitate development in the Plan area through the use of ground leases. The study also recommended against the Airport Department building major new space for its tenants or speculative space to attract new tenants.

On the basis of the recommendations of the Specific Plan and this study, the City issued the Request for Proposals for the 15-acre project site in 1996. The RFP requested that the project be "a high quality commercial/industrial complex" and that the project be consistent with the Specific Plan, which was in draft stage at the time of the RFP. The Bermant Development Company, with Miravant Medical Technologies as the major tenant, was selected by the City Council as developer for the Santa Barbara Gateway Center in September 1997.

#### **E. Previous City Review of Santa Barbara Gateway Center Project**

The proposed project has undergone extensive conceptual review by the City since the City issued the RFP for the proposed project in 1996, as outlined in the chronology below. As discussion of each step in the review process is also provided.

September 1996	RFP issued for project
September 1997	Bermant Development Company selected as developer for project
December 1997	Review of proposed project by Development Review Committee
November 1997	First ABR Concept Review
December 1997	Staff discussions with applicant regarding project goals, concept, and design

February- March 1998	ABR Concept Reviews of revised proposal
March 1998	ABR Concept Review of Airport Infrastructure Improvements
May 1998	Planning Commission Concept Review
June 1998	ABR Concept Review of revised proposal
August 1998	Joint Planning Commission/ABR Concept Review
October 1998	Submittal of current proposal by applicant
November 1998	ABR Concept Review of current proposal
February 1999	ABR Concept Review of Airport Infrastructure Improvements

**1. Original Proposal- September 1997**

The original Bermant proposal in 1997 (Exhibit L, Original Site Plan) included three major office/R&D buildings totaling 160,000 sq. ft, each located on a corner of the site, and a complex of two retail buildings totaling 20,000 sq. ft. at the corner of Hollister Avenue and David Love Place. The buildings and parking area surrounded a central plaza. The building elevations reflected a more traditional airport/industrial design characteristic of the industrial uses in the area. A total of 630 parking spaces were provided. Volleyball and basketball courts were also proposed along Frederic Lopez Road, on the opposite side of the site from the existing Love Commons.

In review of this proposal, staff had a number of concerns about the expanse of parking and the lack of pedestrian friendliness of the site. The removal of the existing buildings on site was also a concern, since the Specific Plan encouraged the re-use of existing buildings where possible. However, during the initial review of proposals following the RFP process, it was determined that development of the site with a high tech office/R&D complex as desired by the RFP and the Specific Plan may not be feasible with the configuration of existing buildings on site and the needs of prospective tenants.

**2. Development Review Committee- November 1997**

The project as originally proposed was submitted for review by the Development Review Committee in November 1997. At this time, Planning Staff noted its concerns over the amount of parking provided (approximately 100 spaces more than required by Code), and noted that the parking configuration appeared to segregate the proposed uses, thereby

inhibiting pedestrian linkages. The amount of parking facing the major streets was also identified as a major concern, and the architecture of the buildings was considered to be massive. Staff also indicated that the site design should be responsive to the known archaeological sensitivity areas on the site, and that further studies of the site should be completed as recommended in the original Phase 1 archaeology study, and evaluated as part of the environmental review of a formal project submittal.

The Public Works Engineering Division identified drainage as a major concern which would need to be addressed as the project design progressed, since increased runoff would need to be accommodated on site so as not to impact the existing storm drain system. The Public Works Transportation Division preferred a narrowing of the proposed driveways to the scale discussed in the Specific Plan, that parking be substantially reduced from the 630 parking spaces provided to meet an anticipated project demand of 430 spaces, and that the project maintain a campus-like setting.

### **3. ABR Initial Review- November 1997**

The project was first reviewed by the ABR in November 1997 (Exhibit M, ABR Minutes, Nov. 10, 1997). At that time, the ABR reviewed the project architecture, since staff was continuing to work with the applicant on refining the site plan. The ABR indicated that the architecture should be more consistent with the current design guidelines (from the 1991 Local Coastal Program Implementation Program for the Airport/Goleta Slough area), reflecting roots in Spanish/Mediterranean architecture. The ABR also requested the buildings be of a more "human" scale with appropriate massing and variation in the architectural forms.

### **4. Staff Direction- December 1997**

Staff met with the applicant in December 1997 to discuss the overall site design concept. The applicant indicated its goals were to:

- Provide a state of the art R&D facility in a campus-like setting;
- Provide for flexibility for potential multi-tenants; and
- Create linkages between buildings.

The City indicated its goals for this proposal were to

- Create a pedestrian friendly environment;
- Minimize the expanse of parking; and,  
Minimize the separation of the buildings from the open space.

At that time, Planning Staff became aware of existing utility services running parallel to Hollister Avenue, including water and sewer mains serving uses along the Hollister Avenue corridor. The location of these utilities precluded the ability to construct new

buildings at the narrower setbacks advocated within the Specific Plan. It was determined that a minimum 60-foot setback would be required for new development on the project site.

The meeting concluded with staff and the applicant agreeing on the following general goals:

- Less vehicular maneuvering around the site and more efficiency in the amount of parking provided;
- Maintenance of a campus-like setting;
- A "Santa Barbara" character for the project;
- "Reasonable" pedestrian conveyance from parking areas, with parking provided as close to buildings as possible; and,  
Loading areas provided at the rear of property along Francis Botello Road.

#### 5. ABR Concept Review- February and March 1998

The applicant made further refinements to the project and returned to the ABR in February and March 1998. The revised design included the following:

- Reconfiguration of the retail buildings to provide an additional retail building at Frederic Lopez Road and Hollister Avenue, to balance the two larger retail buildings maintained from the original proposal at the opposite end of the site along Hollister Avenue at David Love Place.
- Reconfiguration of the landscaped areas to provide for a 120-foot landscape setback from along Hollister Avenue to shield narrower parking areas in the front of the building. The landscaped area included a trellis structure and alleé of evergreen trees.
- Relocation of volleyball and basketball court adjacent to existing Love Commons park to combine recreational areas and enhance the recreational character of this portion of the site.
- Relocation of the main R&D building from the corner of Frederic Lopez Road and Hollister Avenue to the center of the project site to break up massing of buildings along Hollister Avenue.
- Orientation of the buildings around a smaller central plaza, with removal of parking between buildings and the plaza to improve pedestrian access.

The ABR was more receptive to this design and focused comments on smaller design details, including pedestrian entrances to the retail uses from Hollister Avenue, providing pedestrian paths around the site, and minimizing driveway radius for traffic calming (Exhibit N, ABR Minutes, Feb. 17, 1998).

The ABR also gave further study to the building architecture, which was refined to reflect roots in Spanish/Mediterranean design. This was a major point of discussion with the ABR, since the revised Airport Design Guidelines were not yet complete, and the issue of how far the concept of "roots" should be carried into the project design had not been decided. The ABR was ultimately supportive of the overall theme, but offered additional suggestions to break up massing of the buildings (Exhibit O, ABR Minutes, March 23, 1998).

#### **6. Planning Commission Concept Review- May 1998**

Following this ABR review, the applicant made a formal application to the City on March 30, 1998 (Exhibit D, Application Letter). During this initial application review, staff requested that the applicant bring the project to the Planning Commission for a concept review before responding to the staff comments from the application submittal, so that both staff and Planning Commission comments could be addressed together in the next submittal. The Planning Commission conceptually reviewed the project on May 14, 1998 (Exhibit P, Planning Commission Minutes, May 14, 1998).

The Commission was generally favorable toward the proposed plaza concept, but expressed concerns over the configuration of parking and retail buildings. The Commission suggested that the parking be restudied to possibly include a parking structure, or parking underneath the single-story building element, to break up the perceived mass of parking on the site. Suggestions were made to consider allowing additional square footage on the project site to allow for more development to break up the mass of parking. The Commission also requested that the configuration of the retail buildings be restudied so that the retail could possibly be combined into a single structure. Additional comments were also made regarding the provision of native landscaping and enhancement of pedestrian access that the applicant agreed to include in the next submittal.

#### **7. ABR Concept Review- June 1998**

Following the Planning Commission concept review, the applicant returned to ABR on June 15, 1998 with additional architecture, landscape and parking area enhancements (Exhibit Q, Revised Site Plan, June 1998), including:

- Removal of the trellis and allée structure in the front landscape buffer in favor of a meandering landscaped path. The applicant indicated this change would provide a better pedestrian enhancement and lessen the intrusion of structures and tree roots in the utility easement in the front of the site.
- Reduction of parking to 552 spaces, from the 630 originally proposed.

- Phasing of parking to allow for 55 additional parking spaces, to be maintained as landscaped area unless needed for parking in the future.
- Addition of pedestrian pathways within the parking areas and from the parking areas to the retail uses.

The ABR was supportive of the overall architecture of the larger buildings, and felt that the retail buildings would provide screening for the parking area. The ABR noted that these buildings should have a stronger reference to the Spanish/Mediterranean theme than the larger buildings further back on the site. The ABR was generally supportive of the meandering sidewalk as proposed (Exhibit R, ABR Minutes, June 15, 1998).

#### 8. Joint Planning Commission/ABR Concept Review- August 1998

During the ABR concept review, the Planning Commission expressed concerns over the amount of review the project had received by staff and ABR prior to the first Planning Commission concept review, and indicated a desire to be more involved in the project design at the initial planning stage. A joint work session with the ABR was held on August 11, 1998 (Exhibit S, Joint ABR/PC Minutes, August 11, 1998). The work session was planned to allow the Planning Commission to discuss and coordinate issues related to the project design with the ABR, and further discuss the overall land use issues related to the project that were raised at the Planning Commission concept review in May 1998. At this meeting, the ABR and Planning Commission reached consensus on the following issues:

- A clear definition is needed for "Santa Barbara Architecture" and its elements as they apply to projects in the Airport area.
- Additional plaza space is needed between the main buildings.  
The amount and type of landscaping proposed along Hollister Avenue is excessive and obscures the view of the building.
- The pedestrian relationship of the project should be along the sides of the project site and not just along Hollister Avenue.  
The buildings should be developed with adaptation for future tenants.

The following direction was given to the applicant:

- Look at two-story concepts at the rear of the property and study the economics of such a configuration.
- Review how much additional square footage could go into the project and redesign the project to accommodate future additions.
- Connect the pedestrian walkways.
- Elongate the corner buildings to give more prominence to the Hollister Avenue frontage.
- Make the plaza area more public and less private.

Study additional commercial use and the architectural enhancement of retail use along Hollister Avenue, including the addition of patios.

- Study pedestrian orientation along the side streets.
- Reduce the curb radius to the greatest extent feasible.

A subcommittee of Planning Commissioners and ABR members met with staff and the applicant on August 27, 1998 to further discuss these issues and determine the feasibility of the direction provided to the applicant. The applicant noted the following changes to the project design at this meeting:

- The retail buildings were elongated to give more prominence along Hollister Avenue, but the square footage of the buildings was not increased.  
A number of smaller trellis elements would replace a larger single trellis element previously proposed.
- Six-foot sidewalks were proposed around the project perimeter, separated from the roadway by parkway area ranging from four to nine feet.
- The curb radius was proposed to remain at 35 feet, based on Public Works Department requirements.  
A total of 30 percent fewer trees were proposed along Hollister Avenue, to open up views of the building from Hollister Avenue.  
Pedestrian walkway areas between buildings need to remain enclosed for security purposes, but may be removed if the tenant changes.
- Buildings would be designed with transparency elements to make them appear more open.

The subcommittee was supportive of the overall project concept, including the configuration of the building and the parking area. The subcommittee offered the following comments and direction to the applicant:

- Undulate the berm along Hollister Avenue as much as possible for aesthetic effect while keeping the sidewalk as level as possible for accessibility purposes.
- Reduce the street curb radius to the greatest extent feasible.
- At least 30 of the 75 bike parking spaces provided should be covered.  
Reduce curb radius at entry driveway as much as possible and remove front tree in median to allow for sidewalk to cross median.  
Landscaping should be drought tolerant and well maintained to ensure it complements the architecture rather than serving as "hedge" architecture.  
Retail buildings should be in a different style than the Miravant buildings, to read as if they were built at different times or by different architects.  
Avoid use of Bauhaus/International Style proportions of architecture.
- Emphasize variety, rather than theme, in project design
- Consider build-to-suit retail, which could help ensure variety in architectural styles.



- Consider providing surface parking tucked under a raised building to mitigate visual impact of surface parking.
- Consider provisions to allow for additional square footage on site in the future.

The issues of tucked under surface parking and additional square footage on-site are discussed further in the Site Design section later in this report.

#### **9. Current Proposal- October 1998**

The applicant submitted the current proposal in October 1998 (Exhibit C, Current Site Plan). The applicant has indicated that the current proposal incorporates the direction provided from the joint ABR and Planning Commission review. This proposal was conceptually reviewed by the ABR on October 12, 1998, and forwarded to the Planning Commission with positive comments (Exhibit T ABR Minutes, October 12, 1998. The ABR's comments were as follows:

- The site plan is appropriate for the proposed development.
- Conceptually, the architecture of the buildings is appropriate and the architectural concepts are acceptable.
- The main buildings should be of a related architecture, but still be distinct from one another.
- The architecture of the commercial buildings at Frederic Lopez Road and David Love Place should be more refined and more detailed than the buildings farther away from the street.

#### **10. Review of Airport Area Infrastructure Improvements and Parkway Plan**

The Airport Area Infrastructure Improvements were conceptually reviewed by the ABR on March 23, 1998. At this meeting, the Airport staff were asked about the purpose of the wider roadways and street knuckles north of Francis Botello Road. Staff noted that this additional width was necessary to accommodate large truck traffic and maneuvering in the area. ABR acknowledged this concern and requested that the roadways be as narrow as possible, and that the proposed parkway be widened from three and a half feet to five feet to better accommodate street trees. Airport staff indicated that surface improvements, including street trees, would be presented to the ABR at a later date.

During later conceptual reviews of the project in August 1998, both the Planning Commission and ABR indicated a strong desire that the curb radius be reduced from the proposed 35 feet to a narrower radius consistent with streets in other areas of the City. At the ABR meeting on February 22, 1999, at which two Planning Commissioners were present, staff noted that the proposed infrastructure improvements were separate from the proposed project, and that the proposed project was designed around the site with a 35-foot curb radius. The Public Works Transportation Division was represented by the City Traffic Engineer, who discussed the large volumes of truck traffic anticipated to use the

two affected intersections, particularly to access the open yard industrial uses in the northern portion of the Specific Plan area. Further, the City Traffic Engineer noted that a radius narrower than 35 feet could severely impair truck maneuverability. Transportation Division staff also offered suggestions for pedestrian crossings at the two affected intersections. The conceptual parkway plan was also presented by the consulting landscape architect, which primarily identified the proposed tree species. The consultant also noted that the parkway would be planted with a native, drought tolerant ground cover.

The ABR and Planning Commissioners present noted the need for the wider radius, and supported the provision of dual handicap ramps and enhanced pedestrian crossings, and conceptually supported the parkway plan as proposed (Exhibit U, ABR Minutes, February 22, 1999).

## V. PROJECT ISSUES AND ANALYSIS

### A. Environmental Review

The Airport Specific Plan Final Environmental Impact Report/Environmental Assessment (FEIR/EA) was certified in July 1997, and the Specific Plan was adopted in October 1997. The FEIR/EA was a program EIR, which identified impacts and mitigation measures, associated with the anticipated buildout of the commercial and industrial area on the north side of the Santa Barbara Municipal Airport. The FEIR/EA looked at two major scenarios for development- a 160,000 sq. ft. increase in new development (Base scenario), and a 240,000 sq. ft. increase in new development, also known as the "Economic Development" scenario. The adopted Specific Plan incorporated the Economic Development Scenario from the FEIR/EA. The Economic Development scenario includes 80,000 sq. ft. of Economic Development square footage as defined under City Charter Section 1508. The Santa Barbara Gateway Center project proposes to use the total 80,000 sq. ft. allowed by the Specific Plan for Economic Development. The proposed project was not specifically addressed in the FEIR/EA; however, the buildout of the Specific Plan Economic Development Scenario did account for the 180,000 sq. ft. included in the proposed project.

The FEIR/EA concluded that the buildout of both the Base scenario and the Economic Development scenario would have a significant, unavoidable impact on a number of environmental issue areas including traffic, schools, solid waste and air quality.

An Initial Study was prepared for the proposed project in January 1999. The Initial Study acknowledged the impacts identified in the FEIR/EA for the Specific Plan area, and concluded that while the proposed project could contribute to impacts identified as significant and unavoidable in the FEIR/EA (transportation, solid waste, and schools), the proposed project would not increase the severity of impacts identified within the FEIR/EA.

However, with regard to air quality impacts, the FEIR/EA estimated vehicular traffic emissions from Specific Plan buildout using EMFAC7F emission factors and URBEMIS 5 vehicle trip

characteristics from the State of California Air Resources Board (ARB). The ARB released updated versions of EMFAC (7G) and URBEMIS (7G) in 1998. The Santa Barbara County Air Pollution Control District (APCD) requires the use of this new information in reviewing air quality impacts of new projects. The use of URBEMIS 7G, in review of the proposed project, therefore created an inconsistent comparison with the air quality analysis completed in the Specific Plan FEIR/EA, certified in 1997. Therefore, since additional information for determining air quality impacts became available following certification of the Specific Plan FEIR/EA, a Draft Supplemental EIR was prepared, focused on air quality issues.

Section 15162 of the State CEQA Guidelines requires a Subsequent EIR analysis when "new information of substantial importance, which was not known and could not be known with the exercise of reasonable diligence at the time the previous EIR was adopted, shows...(that) significant effects previously examined will be substantially more severe than shown in the previous EIR." Section 15163 of the California Environmental Quality Act Guidelines allows for a Supplemental EIR to be prepared (in lieu of a full Subsequent EIR) for a project in which only minor additions or changes would be necessary to make the previous EIR adequately apply to the project in the changed circumstances.

The Draft Supplemental Environmental Impact Report (Draft SEIR) for the Santa Barbara Airport Commercial/Industrial Area Specific Plan and Santa Barbara Gateway Center was released for public review on February 5, 1999 (Exhibit V, distributed separately). The 45-day public review period for the Draft SEIR ended on March 22, 1999. A public hearing on the Draft SEIR was held on March 11, 1999. Responses to comments received on the Draft EIR are included in Exhibit W (distributed separately).

The Draft SEIR notes that the Specific Plan FEIR/EA estimated Total Reactive Organic Gas (ROG) emissions for the Economic Development scenario to be 47.56 lbs./day and Nitrogen Dioxide (NOx) emissions to be 198.20 lbs./day. Because these total emissions exceed the APCD threshold of significance of 25 lbs./day for ROG or NOx emissions, the Specific Plan was found to have a significant, unavoidable impact on air quality. Using the same methodology from the FEIR/EA, the proposed project was predicted to create emissions of 6.2 lbs./day of ROG and 6.95 lbs./day of NOx. These emissions are within the FEIR/EA estimates for the Specific Plan Area.

Using the updated methodology, along with input assumptions from the FEIR/EA, the buildout of the Airport Specific Plan Economic Development scenario is anticipated to create emissions of 78.80 lbs./day of ROG and 217.16 lbs./day of NOx. These emissions exceed the 25 lbs./day APCD threshold of significance for ROG or NOx emissions. Therefore, the buildout of the Specific Plan Economic Development scenario, using the current air quality impact methodology, is anticipated to have a significant impact.

The Specific Plan FEIR/EA outlined mitigation measures to reduce potential air quality impacts; however, the FEIR/EA also indicated that these measures were not anticipated to reduce impacts to a less than significant level. Therefore, The FEIR/EA buildout of the Specific Plan Economic Development scenario is anticipated to have a significant, unavoidable impact on air quality.

The FEIR/EA also concluded that ROG and NOx emissions from the Specific Plan Economic Development scenario would contribute to a significant, unavoidable cumulative air quality impact. The updated estimates of emissions using the URBEMIS 7G methodology do not change these conclusions. The proposed Santa Barbara Gateway Center is anticipated to create net emissions of 35.06 lbs./day of ROG and 73.09 lbs./day of NOx, both of which exceed the 25 lbs./day threshold of significance. The proposed project will therefore have a significant, unavoidable impact on Air Quality.

These conclusions are consistent with the Air Quality impact findings of the FEIR/EA for the Santa Barbara Municipal Airport Industrial/Commercial Specific Plan (Airport Specific Plan). The FEIR/EA determined that implementation of the Airport Specific Plan would result in a significant, unavoidable impact to Air Quality. The project specific Air Quality impact does not result in a new significant Air Quality impact or a substantial increase in the severity of the identified Air Quality impact identified in this Supplemental EIR for the buildout of the Specific Plan 2010 Economic Development Scenario.

## **B. Consistency with General Plan**

### **1. Land Use Element**

The Land Use Element of the General Plan provides the following discussion of the Airport area:

*"The Santa Barbara Municipal Airport, although located in the Goleta area, is within the City limits, having been annexed in 1961. Essentially, all of the land thus annexed is owned by the City of Santa Barbara. There are two categories of land involved in this ownership: (1) That now used or to be used in the future for Airport facilities and Airport-related land uses, and (2) Land which will not be used for any Airport-related use. It is proposed that the following approaches be taken to the utilization and function of these lands.*

- 1. The Airport facilities and Airport operational land uses should continue and be expanded as necessary to serve the function of a local airport with its passenger and freight service area generally confined to tying the South Coast area to the greater metropolitan areas of Los Angeles and San Francisco.*
- 2. The land which will not be used for Airport functions is, essentially, no different than the surrounding lands in the Goleta area. The fact that the property owner happens to be the City of Santa Barbara does not affect its land use relationship to the balance of the area. Because of the magnitude of problems, such as noise, air, and visual pollution, the City, County, and UCSB should cooperate in determining a desirable and appropriate land use for this area of Goleta in relationship to economic, social, and environmental impact upon both individuals and community structure.*

*Comprehensive and specific plans for all City-owned land at the Airport should be prepared at the earliest date so that development of this valuable resource can proceed. Planning for airport development should be guided by the following basic principles:*

- 1. Noise, air pollution, and all other adverse environmental and ecological impacts must be reduced and held at absolute minimum levels.*
- 2. Land use, both aeronautical and non-aeronautical related, must be planned to produce a low intensity of activity, commensurate with the local nature of the airport and respecting the low residential, commercial, and industrial density of the Goleta area.*
- 3. All planning for this important transportation element and its related facilities should be coordinated with the County."*

Land Use Element Implementation Strategy 5.1.1 reads as follows:

*Complete focused studies to identify zoning provisions and design standards to meet the unique needs and specific goals of the following areas...Airport...Master Plan...Specific Plan*

The Airport Industrial Area Specific Plan was adopted by the City Council on October 7, 1997 to guide development of the industrial area of the Airport-owned properties within the City. The Plan was developed within the context of the existing City and County Plans, including the GCP, the City General Plan and Local Coastal Plan, the County Airport Land Use Plan, and The University Of California, Santa Barbara-1990 Long Range Development Plan.

The proposed project is consistent with the direction of the Land Use Element. The surrounding County Land Use Plan and zoning designations allow for development similar to that of the proposed project. The proposed project is also similar in scale and configuration to other office and industrial parks on the project area.

## **2. Circulation Element**

The Circulation Element of the General Plan includes the following vision statement:

*"While sustaining or increasing economic vitality and quality of life, Santa Barbara should be a city in which alternative forms of transportation and mobility are so available and so attractive that use of an automobile is a choice, not a necessity. To meet this challenge, the City is rethinking its transportation*

*goals and land use policies, and focusing its resources on developing balanced mobility solutions. The language presented here, when taken together, will move the City in the direction of achieving the Vision."*

The Circulation Element includes a number of goals, policies, and implementation strategies applicable to the proposed project. The major provisions of the Circulation Element applicable to the proposed project include the following:

*Policy 2.1. Work to achieve equality of convenience and choice among all modes of transportation.*

**Implementation Strategies:**

*Expand and enhance the infrastructure for and promote the use of the bicycle as an alternative from of travel to the automobile.*

*Explore ways to continue the concentration of development downtown and along transit corridors to facilitate the use of transit and alternative means of transportation.*

*Policy 3.1 The City shall promote the development, improvement, expansion, and increased ridership of transit within the City, including the development of new forms of transit as they become available.*

*Policy 5.1. The City shall create an integrated pedestrian system within and between City neighborhoods, schools, recreational areas, commercial areas and places of interest.*

**Implementation**

*Strategy 5.7.1: Include sidewalks, landscaping, and other facilities in new public and private construction to promote pedestrian activity where appropriate and consistent with the policies contained in this element.*

*Policy 6.1 The City shall continue to support efforts to expand Transportation Demand Management Programs.*

*Policy 13.4. Establish provisions to allow for creative site development and urban design standards that support the City's mobility goals.*

The proposed project is located along Hollister Avenue, a major transportation corridor within the Airport and Goleta Area. The City is in the process of working with the MTD and the County for the provision of shuttle service along this corridor. Transportation improvements outlined in the Specific Plan include a Class II bikeway along Hollister Avenue between Los Carneros Road and San Pedro Creek, proposed in conjunction with the Goleta Transportation Improvement Plan. The proposed project provides linkages

with these amenities through the provision of a transit shelter at the corner of Hollister Avenue and Frederic Lopez Road, and 75 code-required bicycle parking spaces (35 of which are covered). The proposed project includes pedestrian walkways through parking and landscape areas between the major uses on the project site, and from the major uses to the sidewalks along the streets surrounding the project site. To encourage use of alternative transportation, a condition of approval has been included for the proposed project requiring the applicant to prepare a Transportation Demand Management program for the proposed project, including provisions for transit subsidies and other ridesharing measures.

Staff believes that with the incorporation of these transportation-related features, the proposed project is consistent with the Circulation Element of the General Plan.

### 3. Other General Plan Elements

The Noise Element, Conservation Element, and Seismic Safety/Safety Element contain a number of plans and policies which apply to the proposed project. The issues relative to these plans and policies, including cultural resources, noise, and soils/geology, are discussed in the Initial Study (Appendix 1 of Draft SEIR). Impacts related to these issues have been found to be either less than significant, or mitigated to a less than significant level. As thresholds for environmental impacts are often identified through adopted plans and policies within the City's General Plan, the Initial Study includes an assessment of these issues, and staff concludes that the proposed project is consistent with these elements of the General Plan.

### C. Consistency with Airport Specific Plan

The proposed uses are consistent with the Airport Specific Plan Land Use classifications of Commercial/Entertainment (Family Entertainment Center), and permitted under the A-I-1 and A-I-2-Airport Industrial zones. The specific commercial uses are restricted to those permitted in the A-I-2 zone, which would not detract from Old Town Goleta businesses.

The Airport Specific Plan includes the following policies regarding the vision for long range planning within the Specific Plan area:

- Policy V5: Provide for R&D, light industrial, small incubator and community serving commercial uses. For commercial uses, give priority to uses which provide support service for the immediate Specific plan area and do not detract from Old Town Goleta businesses.*
- Policy V9. Promote aesthetically pleasing development in the Specific Plan Area, particularly along the Hollister Avenue corridor.*

The proposed office/R&D and support commercial uses appear to be consistent with the vision of the Specific Plan. The proposed project has also been determined by the ABR to be generally consistent with the Airport Design Guidelines.

The Specific Plan also includes an extensive list of goals and policies relative to specific issues in the Airport Area, including circulation, drainage, airfield operations, and solid waste. The proposed project was designed to address these issues and, therefore, appears to be consistent with the provisions of the Specific Plan.

#### **D. Consistency with Airport Design Guidelines**

The Airport Design Guidelines were adopted by the City Council in September, 1998. These guidelines acknowledge the Airport area as a "major gateway to the Santa Barbara area", and therefore require that new development in the Airport area have its roots in "Hispanic/Mediterranean architecture." The Guidelines clarify that:

*"This does not mean "El Pueblo Viejo" Spanish throughout, but it does encourage the use of scale, detailing, color, building materials and landscaping associated with a Hispanic/Mediterranean theme. However, all future development may relate to significant existing, immediately adjacent structures with special attention to new construction and recent remodels."*

The Design Guidelines also outline requirements for landscaping, building orientation, identification of major approach corridors to the Airport, building design, and color schemes. The Guidelines were developed during the various concept reviews of the proposed project by the ABR in 1998. Using the draft guidelines as a guide, the ABR found the proposed project to be generally consistent with the guidelines, noting that the proposed Miravant buildings maintained roots in Hispanic architecture, while keeping a more traditional industrial-oriented design compatible with other industrial uses in the Airport and Goleta area. The ABR recommended that the smaller retail buildings along Hollister Avenue have a stronger emphasis on Hispanic/Mediterranean design, incorporating elements as appropriate from the El Pueblo Viejo Guidelines.

At the time of original consideration of the design guidelines along with the Specific Plan, concerns had been expressed about the guidelines being more consistent with the surrounding Goleta Valley area. The commercial architecture in the Goleta area is somewhat eclectic; however, recent projects have been designed in a more traditional Hispanic style, including the remodeling of the Calle Real Shopping Center and the construction of the new Camino Real Marketplace at Hollister Avenue and Storke Road. Both the ABR and the Airport Commission were satisfied with the existing architectural theme at the Airport, which is similar to that of the rest of the City, and the Council adopted the Guidelines based accordingly.



## E. Site Design

As noted above, the Planning Commission and ABR jointly reviewed the proposed project in August, 1998, and offered two suggestions regarding site design which were ultimately not incorporated into the proposed project:

- Consider providing surface parking tucked under a raised building to mitigate the visual impact of surface parking.
- Consider provisions to allow for additional square footage on site in the future.

The applicant has noted that the engineering required for a tuck-under surface parking configuration would be cost-prohibitive. The ABR has been supportive of the changes to the parking lot made by the applicant to minimize expanses of open parking area, including additional landscaping and pedestrian walkways.

Regarding the provision of additional square footage on-site, both the Specific Plan and the FEIR/EA considered a certain amount of square footage for each of the four sub-areas. Allowing additional square footage on this site would decrease the amount of development potential planned for other parcels within the Plan area. A redistribution of development potential from other Sub-Areas could potentially require new development to undergo substantially more environmental review, since the assumptions in the EIR would have been amended by an additional allocation to the project site. In addition, the provision of additional building area on-site has the potential to further disturb archeological resources.

## F. Parking

A total of 528 parking spaces are required by Code for the proposed project as follows:

160,000 sq. ft. office/R&D at 4 spaces per 1,000 sq. ft.	640 spaces
Less 30 percent reduction allowed by Code for development over 50,000 sq. ft.	<u>-192 spaces</u>
Total required for office/R&D	448 spaces
11,800 sq. ft. of retail at 4 spaces per 1,000 sq. ft.	47 spaces
8,200 sq. ft./100 seat restaurant use at 4 spaces per 1,000 sq. ft. or 1 space per 3 seats	33 spaces
<b>TOTAL REQUIRED FOR PROJECT</b>	<b>528 SPACES</b>

A total of 465 spaces are provided for the proposed project, with provision for an additional 55 spaces around the perimeter of the property, for a total of 520 spaces. The applicant had

originally proposed 630 parking spaces to maximize the amount of parking available for employees and retail customers. While this number of spaces exceeded Code requirements, staff had concerns about the potential visual impacts of such a large amount of parking, and the resulting lack of incentive for use of alternative transportation. Staff also noted that there would likely be shared use of parking between the retail and the office/R&D uses during the weekdays. In response to these concerns, the applicant reduced the amount of parking by 1.2 percent to the 465 spaces proposed. As noted in the Initial Study, the estimated parking demand for the proposed project, based on Institute of Traffic Engineers (ITE) rates, is 439 spaces. The proposed project is providing 26 more spaces than the anticipated demand.

Because the amount of parking provided is less than the amount required by Code, a parking modification is required. As the proposed reduced parking was provided at the request of staff, staff supports the proposed modification.

#### **G. Development Plan Requirements**

Pursuant to SBMC 28.87.300(E), in order to approve a Development Plan, the Planning Commission must find that the proposed project is consistent with the Zoning Ordinance and the principles of sound community planning, will not have a significant adverse impact on the neighborhood's aesthetics and character, and will not have a significant unmitigated impact on the City's and South Coast affordable housing stock and the City's traffic and water resources.

##### **1. Zoning Ordinance Consistency**

The project site is zoned A-I-1/A-I-2-Airport Industrial 1 and 2. The proposed uses are permitted within these zones. The northern portion of the property, in which the majority of office/R&D uses are located, is zoned A-I-1, which permits a range of office, R&D, and light industrial uses. The southern portion of the property is zoned A-I-2, which allows for uses permitted in the A-I-1 zone, plus incidental retail uses.

The required building setback for the A-I-1 zone is 20-feet along Hollister Avenue. The front setback is also 20 feet along David Love Place and Frederic Lopez Road for the first 200 feet back from Hollister Avenue. A 200-foot setback is proposed for the two-story office building on Hollister Avenue, and setbacks ranging from 23 feet on David Love Place and Frederic Lopez Road and 75 feet on Hollister Avenue, are proposed for the retail buildings at the corners of the property on Hollister Avenue. The maximum building height in the A-I-1 and A-I-2 zones is three stories or 45 feet. The proposed buildings are one and two story, with a maximum height of 40 feet. The proposed project complies with all other applicable provisions of the Zoning Ordinance, with the exception of parking, as discussed above, for which a modification is proposed.

## 2. Sound Community Planning

The site is located in the Airport Specific Plan Area and has Specific Plan Land Use Designations of Industrial, Commercial, and Entertainment. The project involves construction of a new office/R&D/retail complex. The proposed uses appear consistent with the site's Specific Plan Land Use designations.

Given the Specific Plan designation of the site, the proposed use, the project description and design, and the project consistency with the Specific Plan, the proposed project appears consistent with the principles of sound community planning.

## 3. Neighborhood Aesthetics and Character

The proposed project involves construction of a new 180,000 sq. ft. one-and two-story office/R&D/commercial development of a 15-acre lot within the Airport area.

The project site is located in an existing commercial and industrial corridor along Hollister Avenue, which is comprised of one and two story commercial buildings of varying sizes. A number of other office/industrial projects similar in size and scale, including Circon, University Business Park, and Raytheon, are also located in the vicinity of the proposed project. The existing movie theatre and golf course east of the project site provides a buffer between the project site and Old Town Goleta. The Specific Plan and the Goleta Community Plan envision uses of this nature along Hollister Avenue. The proposed project is also generally consistent with the recently adopted Airport Area Design Guidelines, as discussed above.

It is therefore Staff's opinion that the proposed project is consistent with the neighborhood's aesthetics and character.

## 4. Housing

A Socio-economic Impact Analysis prepared for the project (Exhibit 6 of Initial Study) estimates that operation of the proposed project would generate approximately 497 long-term employees within the County, approximately 134 of which are estimated to immigrate to Santa Barbara. These 134 employees are estimated to generate a total population in-migration of 358 people, assuming an average household size of 2.67, the estimate used in the Specific Plan FEIR/EA. As project hiring is proposed over a period of approximately four years, not all new employees and households are expected to immigrate at the same time. However, it is estimated that the majority of hiring and in-migration will occur within the first three years of the project.

The Socio-economic Impact Analysis indicates that 1,429 new housing units are approved for construction in the South Coast (approximately 771 are currently under construction), and another 1,000 are currently proposed. While the project is not

expected to directly induce substantial growth in undeveloped areas, the project will generate a demand for additional housing for the estimated 134 in-migrating employees. Using the methodology from the Specific Plan FEIR/EA, as discussed in the Socio-economic study, a total of 50 of the estimated 134 in-migrating employees are estimated to comprise low- and moderate-income households, and are estimated to create a demand for 36 units of affordable housing.

As discussed in the Draft SEIR for the proposed project, the applicant also proposes to designate their 36-unit apartment units within the Storke Ranch project, currently under construction in Goleta, as income-restricted housing to offset the demand for lower-income housing anticipated to be generated by the proposed project. With the provision of this affordable housing, the proposed project is not anticipated to have a significant unmitigated impact on the City's and South Coast affordable housing stock.

## 5. Traffic

The development plan findings require that the project not have a unmitigated significant impact on the City's traffic. As discussed in the Initial Study, the proposed project will contribute to a significant, unavoidable impact to the intersection of Hollister and Fairview Avenues, which is located within the County. This impact was previously identified in the Specific Plan FEIR/EA, and the Initial Study concluded that the proposed project would not increase the severity of this impact. While the Initial Study includes mitigation measures including the requirement for a Transportation Demand Management Program, and the provision of a traffic signal at Hollister Avenue and Frederic Lopez Road, the traffic impact identified in the Initial Study remains significant and unavoidable. The impacts identified in the FEIR/EA are associated with County transportation facilities, and not locations within the City. No significant, unmitigable impacts on City traffic have been identified. As discussed earlier in this report, the City has been negotiating an agreement for payment of the GTIP fee for projects within the City's jurisdiction.

## 6. Water

The Development Plan findings require that the project not have an unmitigated significant impact on the City's water resources. Water is supplied to the Airport and Airport tenant properties by an agreement with the Goleta Water District. This agreement provides for an annual allotment of 240 acre-feet. The Specific Plan FEIR/EA indicates that the Economic Development Alternative would increase total water demand for the Airport properties to 142-acre feet per year (AFY), which is within the 240-acre feet allotment.

The existing development on the site demands 2.6 AFY of water. The proposed project is estimated to demand 19.55 AFY (based on the City's Water Demand Factor and Conservation Study "User's Guide" Document No. 2). Therefore, the change in water

use would be approximately 16.95 AFY. When added to the 1993 water usage baseline of 104 AFY identified in the Specific Plan FEIR/EA, the water usage in the Specific Plan area would increase to 120.95 AFY, which is within the 240 AFY allocated to the Airport area. The potential increase in demand of 16.95 AFY would not significantly impact the water supply available to the Airport.

#### **H. Measure E Square Footage/Economic Development**

The allocation of square footage for the proposed project under Charter Section 1508 (Measure E) is as follows:

Existing	51,746 sq. ft.
Economic Development	80,000 sq. ft.
Vacant Land	<u>48,254 sq. ft.</u>
<b>TOTAL</b>	<b>180,000 sq. ft.</b>

On January 6, 1998, the City Council gave a conceptual qualification to allow the proposed project to use the 80,000 sq. ft. of Economic Development square footage for Miravant Medical technologies, the proposed tenant of the office/R&D buildings (Exhibit X, CAR, January 2, 1998). This allocation is consistent with Airport Specific Plan Policy ED1, which reads as follows:

*Of the 240,000 net square feet allowed in the Specific Plan area, 80,000 square feet is reserved for projects which the City Council determines meet the criteria for Economic Development projects as outlined in Zoning Ordinance Section 28.87.300 and the goals of the Economic Development Plan and Implementation Program and the Economic Community Project.*

SBMC §28.87.300.B.3 defines an Economic Development Project as:

*A project which has been designated by the City Council as a project that is consistent with the City Charter, General Plan, [Zoning Ordinance], will enhance the standard of living for City and South Coast residents and will strengthen the local or regional economy by either creating new permanent employment opportunities or enhancing the City's revenue base. An Economic Development Project should also accomplish one or more of the following:*

- a. Support diversity and balance in the local or regional economy by establishing or expanding businesses or industries in sectors which currently do not exist on the South Coast or are present only in a limited manner; or*

- b. Provide new recreational, educational, or cultural opportunities for City residents and visitors; or*
- c. Provide products or services which are currently not available or are in limited supply either locally or regionally.*

As discussed in the Council Agenda Report of January 2, 1998 (Exhibit X), Staff feels that the proposed development meets criteria "a" and "c" above and is a suitable project for Economic Development square footage. The proposed project would retain 140 high-tech jobs in the community, with average starting salaries of \$45,000, and would enhance the City's revenue base. Final designation for allocation of Economic Development square footage to the project by City Council would require a positive recommendation by the Planning Commission.

## **VI. CONCLUSION AND RECOMMENDATIONS**

The proposed project represents a major economic development project within the Airport area. The proposed project is consistent with the provisions of the General Plan, the Airport Specific Plan, and the Zoning Ordinance, and is consistent with the City's economic development goals for the Airport Area as outlined in the Specific Plan. The proposed project provides for on-site commercial and recreational amenities, and for alternative transportation facilities including a transit shelter and covered bicycle parking. The design of the proposed project has been determined by the ABR to be generally consistent with the Airport Design Guidelines. The significant environmental impacts identified for the proposed project would remain even without the proposed project.

Staff therefore recommends approval of the proposed project, subject to the findings and overriding considerations outlined below.

### **A. Environmental Findings**

#### **1. Findings for Certification of the Final Environmental Impact Report (CEQA Guidelines Section 15090)**

Pursuant to Section §15090 of the California Environmental Quality Act Guidelines, the Planning Commission certifies the Final Supplemental Environmental Impact Report for the Santa Barbara Municipal Airport Industrial/Commercial Specific Plan prepared for the Santa Barbara Gateway Center project, finding that:

- a. The Final Supplemental Environmental Impact Report for the Santa Barbara Municipal Airport Industrial/Commercial Specific Plan (ENV97-0573) has been completed in compliance with the California Environmental Quality Act.**

- b. The Final Supplemental Environmental Impact Report for the Santa Barbara Municipal Airport Industrial/Commercial Specific Plan was presented to the Planning Commission of the City of Santa Barbara. The Planning Commission of the City of Santa Barbara reviewed and considered the information contained in the Final Supplemental Environmental Impact Report.
- c. The Final Supplemental Environmental Impact Report for the Santa Barbara Municipal Airport Industrial/Commercial Specific Plan reflects the City of Santa Barbara Planning Commission's independent judgment and analysis. Additionally, as discussed in CEQA Guidelines Section 15151, the Final Supplemental Environmental Impact Report for the Santa Barbara Municipal Airport Industrial/Commercial Specific Plan is a good faith effort toward full disclosure of the environmental effects of the project.

## **2. Findings of Unavoidable, Significant Impacts Caused by the Project**

- a. The Final Supplemental Environmental Impact Report for the Santa Barbara Municipal Airport Industrial/Commercial Specific Plan identifies significant long-term impacts to air quality from increased vehicular traffic emissions in the project area. While mitigation measures have been required, which partially reduce impacts, no feasible mitigation measures have been identified which could reduce these impacts to a less than significant level.
- b. The Initial Study prepared for the Final Supplemental Environmental Impact Report for the Santa Barbara Municipal Airport Industrial/Commercial Specific Plan identifies significant impacts to schools, solid waste, and transportation facilities. While mitigation measures have been required which partially address identified impacts, no feasible mitigation measures have been identified which could reduce these impacts to a less than significant level. The Initial Study noted that these impacts are consistent with the findings of the Final Environmental Impact Report/Environmental Assessment (FEIR/EA) for the Santa Barbara Municipal Airport Industrial/Commercial Specific Plan, and that the impacts associated with the proposed project do not result in new impacts, or a substantial increase in the severity of the impacts identified in the FEIR/EA. These impacts were therefore not discussed in the scope of the Supplemental EIR.

## **3. Findings of Reduction of Significant Impacts Caused by the Project**

Pursuant to Section §15091 of the California Environmental Quality Act Guidelines, the Planning Commission finds that changes and/or alterations have been required in, or incorporated into the proposed project which avoid or substantially lessen the following significant effects identified in the Initial Study and Supplemental Environmental Impact

report: air quality, hazardous materials, water quality, cultural resources (archaeological and historic resources), biotic communities, wetlands and ground transportation (U.S. 101 SB Ramps/Los Carneros Rd. only) impacts, as summarized below and specified in the recommended conditions of approval for the project as follows):

- a. Construction-related air quality impacts will be mitigated by the inclusion of appropriate dust control measures on all grading and building plans (Condition No. D-8).
- b. Impacts from smoke and odors from restaurant uses will be mitigated through the implementation of an Odor and Smoke Abatement Plan, to be approved by the City and the Air Pollution Control District (Condition No. D-6).
- c. Hazardous materials impacts will be mitigated by the preparation and implementation of a Construction Contingency Plan including provisions outlined in the EIR/EA (Condition No. D-9).
- d. Water quality impacts will be mitigated by the preparation and implementation of a Drainage and Erosion Control Plan for the proposed project, and the incorporation of industrial interceptors on-site to treat surface runoff prior to entering the storm drain system (Condition Nos. E-2 and F).
- e. Cultural resources impacts on archaeological resources will be mitigated through the implementation of a Phase 3 data recovery, index sampling, and monitoring program, as approved by the City Environmental Analyst and Historic Landmarks Commission, and as necessary by the Historic Landmarks Commission (Condition Nos. D-3, D-4 and D-8i).
- f. Cultural resources impacts on historic resources have been mitigated by the documentation of all buildings eligible for Structure of Merit designation by a qualified architectural historian, in accordance with the City Master Environmental Assessment Cultural Resources Section (not conditioned in project since documentation already completed).
- g. Biotic communities and wetlands impacts will be mitigated by the Airport's continuing participation in and support of the goals of the Goleta Slough Management Committee, including the development and completion of the Goleta Slough Ecosystem Management Plan, assistance in identifying long-term funding to support the Committee and its activities, making available any reports on water quality monitoring and other information relating to the City-owned portion of the Slough and by submitting projects that may potentially affect the Slough and its tributary creeks to the Committee for review and comments. The proposed project will also be required to complete a drainage and erosion plan, provide native, drought-tolerant plant species, and provide industrial intercepts to pre-treat runoff from the project site. (Condition Nos. A-2 and C-2, E-2, and F).



- h. Traffic impacts from the proposed project would be mitigated through implementation of a Transportation Demand Management (TDM) program for the project site and the provision of a traffic signal at the corner of Hollister Avenue and Frederic Lopez Road (Condition Nos. A-5 and B-10).
- i. Construction-related traffic impacts would be mitigated by the inclusion of appropriate construction traffic control measures on all grading and building plans (Condition No. D-8 l-n).

#### 4. Findings of Infeasibility of Alternatives

Pursuant to Section §15091 of the California Environmental Quality Act Guidelines, the Planning Commission makes the finding that specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the project alternatives identified in the Final Supplemental EIR for the following reasons:

- a. The No Project and Reduced Size Alternatives will not reduce air quality impacts to a less than significant level.
- b. The No Project and Reduced Size Alternatives will not meet the Objectives of the Airport to provide revenues necessary to support Airline Terminal and Runway safety improvements and ongoing operation and maintenance, nor will they meet the City's goal of attracting high tech economic development businesses to the South Coast.
- c. The No Project and Reduced Size Alternatives will not provide as much revenue to the Airport as would the Environmentally Superior Alternative (the proposed project) for the purpose of supporting Airline Terminal and Runway safety improvements or ongoing operation and maintenance of the Airport.
- d. The No Project and Reduced Size Alternatives will not provide for the 80,000 square foot Economic Development Alternative which is intended to replace lost jobs and to provide more economic diversity through the provision of higher paying jobs in high technology and related industries.
- e. The No Project and Reduced Size Alternatives will provide fewer tax revenues to both the City and the County than will the Environmentally Superior Alternative
- f. No alternative project sites are available within the Airport area that would allow for the development of the proposed project. Sites outside the Airport area would not allow for the implementation of the economic development goals of the Specific Plan for the Airport area.

## 5. Statement of Overriding Considerations

Pursuant to Section §15093 of the California Environmental Quality Act, The Planning Commission has balanced the benefits of the proposed project against the unavoidable environmental impacts and has concluded that the benefits of the proposed project outweigh the significant air quality impacts sufficiently to justify approval of the proposed project. The Planning Commission makes the following Statements of Overriding Considerations which support approval of the proposed project, notwithstanding the identified impacts that are not mitigated to a level of insignificance:

- a. The lease revenues generated by the development of the proposed project will assist the Airport in maintaining and operating the Airport as a self supporting entity, including the needed expansion of the Airline Terminal and associated improvements and the construction of the Runway 7/25 Safety Areas necessary to meet Federal Aviation Administration requirements.
- b. The proposed project will provide economic development for the South Coast consistent with the City's Economic Development Plan and Implementation Program (EDPIP) and will further result in the creation of needed highly paid employment.
- c. The Economic Community Project and the EDPIP call for encouragement of new high technology business, especially in the business clusters of software development, medical biotechnology and telecommunications. Approval of the proposed project will allow for the implementation of this goal within the Airport area.
- d. As part of the implementation of the Specific Plan Economic Development Alternative, the City will provide \$240,000 to offset its impacts on air quality on the South Coast. In addition, the development generated by the Specific Plan Economic Development Alternative, including the proposed project, is consistent with the amount of development projected as part of the 1996 Clean Air Plan.
- e. The proposed project has been designed in accordance with the Airport Industrial Area Specific Plan and Airport Area Design Guidelines. The development of the Specific Plan area, including the proposed project, takes into account the policies of both the University of California at Santa Barbara's Long Range Development Plan and the Goleta Community Plan.
- f. The proposed project will improve Airport area aesthetics, particularly along Hollister Avenue. This will provide an asset to both the City and the surrounding area of Goleta.

- g. Transportation facilities impacted by the proposed project are outside the jurisdiction and responsibility of the City of Santa Barbara.

## **B. Project Findings**

### **1. Modifications (SBMC §28.92.026)**

Parking or loading requirements. The modification will not be inconsistent with the purposes and intent of the Zoning Ordinance and will not cause an increase in the demand for parking space or loading space in the immediate area

### **2. Development Plan Approval (SBMC §28.87.300)**

- a. The proposed development complies with all provisions of the Zoning Ordinance. The project site is zoned A-I-1/A-I-2-Airport Industrial 1 and 2. The proposed uses are permitted within these zones. The northern portion of the property, in which the majority of office/R&D uses are located, is zoned A-I-1, which permits a range of office, R&D, and light industrial uses. The southern portion of the property is zoned A-I-2, which allows for uses permitted in the A-I-1 zone, plus incidental retail uses.
- b. The proposed development is consistent with the principles of sound community planning, given the Specific Plan designations for the site, the proposed use, and the project description and design, and the project consistency with Specific Plan. The proposed uses appear consistent with the site's Specific Plan Land Use designations of Industrial, Commercial, and Entertainment. The proposed project therefore appears consistent with the principles of sound community planning.
- c. The proposed development will not have a significant adverse impact upon the neighborhood's aesthetics/character in that the size, bulk or scale of the development will be compatible with the neighborhood. The project site is located in an existing commercial and industrial corridor along Hollister Avenue, which is comprised of one and two story commercial buildings of varying sizes. A number of other office/industrial projects similar in size and scale, including Circon, University Business Park, and Raytheon, are also located in the vicinity of the proposed project. The existing golf course east of the project site provides a buffer between the project site and Old Town Goleta. The Specific Plan and the Goleta Community Plan envision uses of this nature along Hollister Avenue. The proposed project is also generally consistent with the recently adopted Airport Area Design Guidelines.
- d. The proposed development will not have a significant unmitigated adverse impact upon City and South Coast affordable housing stock. As discussed in the

Draft SEIR for the proposed project, the applicant proposes to designate their 36-unit income-restricted apartment units within the Storke Ranch project, currently under construction in Goleta as income-restricted housing to offset the demand for 36 lower-income housing units anticipated to be generated by the proposed project.

- e. The proposed development will not have a significant unmitigated adverse impact on the City's water resources. The existing development on the site demands 2.6 AFY of water. The proposed project is estimated to demand 19.55 AFY (based on the City's Water Demand Factor and Conservation Study "User's Guide" Document No. 2). Therefore, the change in water use would be approximately 16.95 AFY. When added to the 1993 water usage baseline of 104 AFY identified in the Specific Plan FEIR/EA, the water usage in the Specific plan area would increase to 120.95 AFY, which is within the 240 AFY allocated to the Airport area. The potential increase in demand of 16.95 AFY would not significantly impact the water supply available to the Airport.
- f. The proposed development will not have a significant unmitigated adverse impact on the City's traffic. Transportation facilities impacted by the proposed project are outside the jurisdiction and responsibility of the City of Santa Barbara.
- g. Resources will be available and traffic improvements associated with the proposed project are anticipated be in place at the time of project occupancy. The project is located within an existing developed area currently served by City and County services. Infrastructure improvements for the project site are proposed to be completed in conjunction with project construction.

### **3. Finding for Economic Development Category Square Footage**

The Planning Commission recommends that the Council find that the proposed project meets the definition of an Economic Development Project as it would allow for the expansion of a businesses or industries in a sector which is currently present only in a limited manner, and would provide products or services which are currently not available or are in limited supply either locally or regionally.

List of Exhibits

- A. Conditions of Approval
- B. Vicinity Map
- C. Current Site Plan
- D. Application Letter, March 30, 1998
- E. Table of Existing Uses
- F. Goleta Community Plan Map
- G. 1999 GTIP Improvements
- H. Estimated GTIP fees for Airport Specific Plan Area
- I. Estimate of County fees as applied to Santa Barbara Gateway Center project
- J. Specific Plan Sub-area Map
- K. Specific Plan Land Use Plan and Zoning Map
- L. Original Bermant Site Plan, 1996
- M. ABR Minutes, November 10, 1997
- N. ABR Minutes, February 17, 1999
- O. ABR Minutes, March 23, 1998
- P. Planning Commission Minutes, May 14, 1998
- Q. Revised Site Plan, June 1998
- R. ABR Minutes, June 15, 1998
- S. Joint ABR/PC Meeting Minutes, August 11, 1998
- T. ABR Minutes, October 12, 1998
- U. ABR Minutes, February 22, 1999
- V. Draft Supplemental EIR for the Santa Barbara Airport Commercial/Industrial Specific Plan, prepared for the Airport Gateway Center, February 1999 (distributed to Planning Commission under separate cover, and available for review at the City Planning Division, 630 Garden Street)
- W. Response to Comments on Draft Supplemental EIR (distributed to Planning Commission under separate cover, and available for review at the City Planning Division, 630 Garden Street)
- X. Council Agenda Report for Conceptual Economic Development Qualification, January 2, 1998